

# EXECUTIVE DIRECTOR'S MONTHLY REPORT

## JUNE 2007

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Each month I establish, with input from the Directors, the priority issues on which management and the staff focus. This report summarizes the work that was accomplished during the month as well as other items I feel will give the Council a better understanding of what the staff and I are doing to accomplish our performance objectives.

### **I. Improve the efficiency and accountability of management within the organization**

- Continuous Improvement

The Values Statement is being incorporated into our Performance Agreements and Evaluation processes for the next fiscal year. It is also a part of our daily dialogue and shared understanding of how we work together. We will continue to discuss the statement as an on going internal process.

The annual Regional Council Retreat is set for June 7th and 8th at the Lake Arrowhead Resort & Spa. New President Gary Ovitt has been very active in planning the Retreat theme, "SCAG Leadership for Today and Tomorrow", as well as guiding the substance of the sessions. Supervisor Ovitt enlisted the aid of John Husing and Steve PonTell in organizing and facilitating some of the retreat sessions activities, including a lunchtime presentation entitled "Leadership of SCAG: The Power . . . and the Responsibility". There will be a discussion of the results of a survey sent to RC members and other elected officials on the role and viability of SCAG. Our dinner speaker will be Mayor Brent Warr from Gulfport, Mississippi, who will share his experiences in "Surviving Hurricane Katrina". On Friday morning, the retreat sessions will address "The Region's Air Quality Emergency" with guest speaker Barry Wallerstein from the SCAQMD.

- Best Practices

Best Practices efforts continued on two major initiatives. Information Systems and Human Resources staff developed systems requirements for new Human Resources software that is scheduled for implementation in September 2007. Modules of the new software include web-based recruitment; benefits administration; compliance reporting, and performance management. In the Budget and Grants area, a systems requirements document and system development schedule was completed by the Information Systems and Budget staff to design, program and implement a new budget development system by September 2007. The new in-house developed system will consolidate all agency budgets into one database, allow for multi year budgeting and expand analytical capability.

### **II. Provide support to the Regional Council in providing direction and leadership to SCAG**

- On May 1st I attended the Information Management Network's Fifth Annual California Municipal Finance Conference and participated on a panel on "Public-Private Partnerships in California". Kathleen Brown of Goldman Sachs was the moderator. Other panelists included Sandy Brinkert, Managing Director, ACA Capital, Cindy McKim, CFO, California Department of Transportation, and David Narefsky, Partner, Mayer Brown Rowe & Maw LLP. In addition to public private partnerships, the panel also discussed infrastructure needs and explored non-infrastructure assets such as healthcare, higher education facilities, student loans and even lotteries that could be privatized.
- On May 2-4 SCAG staff attended the Caltrans Tribal Transportation Academy held on the Soboba Indian Reservation near San Jacinto. The Academy provides Tribal Governments the opportunity to get the latest update on state and federal transportation planning, programming and funding programs for Indian Reservation roads, highways, transit, bridges, safety and ferries.

- SCAG's 2007 General Assembly was held on May 3rd at the historic Millennium Biltmore Hotel in downtown Los Angeles. The President's gavel was passed from Supervisor Yvonne B. Burke to Supervisor Gary Ovitt. The annual meeting was well attended with about 150 present at the luncheon where Dale Bonner, Secretary of California's Business, Transportation & Housing Agency was the guest speaker. Regional Champion Awards were presented to Hunter Johnson for his contributions through LINC in affordable housing; to Mike Mohajer for his volunteer service in the area of waste management policy; and to Lisa Howard for her work as an Antelope Valley Press reporter covering regional issues from a local perspective. The President's Award was presented to State Senator Alan Lowenthal for his critical leadership in working with SCAG in support of the Southern California Region. At a late afternoon reception, our members had the opportunity to speak with several State Legislators: Senator George Runner, Assemblymembers Ted Lieu and Kevin DeLeon, as well as Senator Lowenthal, on issues of significance to the Region.
- On May 4th and June 1st I testified at the South Coast District Hearings on the South Coast Air Quality Management Plan. On the recent crisis I noted that our air quality emergency resolution referenced the required actions in the AQMP to implement the spirit and intent of the resolution.
- On May 4th I met with Alan Rothenberg regarding the Draft High Speed Business Case. He noted that as a business leader and as Chair of the Los Angeles World Airports (LAWA), that we should pursue the Business Case and asked that I present it to the LAWA Commission.
- On May 7th I attended a meeting of the Los Angeles World Airports Board of Airport Commissioners and presented the High Speed Business Case.
- On May 8th Jim Gosnell made a presentation to the Costa Mesa City Council regarding SCAG's Regional Aviation Strategy. As Costa Mesa is currently not a member of SCAG, Jim also discussed the benefits of joining SCAG and invited the city to join our organization and participate in the creation of future Aviation Plans.
- On May 11th I attended the regularly scheduled CEO meeting. Senator Lowenthal and the Secretary of BT&H, Dale Bonner also attended. The partnership agreement and the transportation bond measure were discussed. Senator Lowenthal indicated his commitment to working with the transportation community to maximize bond funding for our projects. Secretary Bonner committed that he and his staff will work with partners to sign the partnership agreement.
- On May 16th I was the luncheon speaker for the Economic Development Symposium on Global Gateways in Long Beach. The USC Center for Economic Development hosted the lunch for symposium participants.
- On May 16th Jim Gosnell presented our Freight Program Strategy to the International Warehouse and Logistics Association.
- On May 16th I made a "benefits of membership" presentation to the Hesperia City Council.
- On May 18th I met with Secretary Dale Bonner to discuss the Partnership Agreement on moving Goods Movement projects regarding goods movement environmental issues, and our Air Quality Emergency Resolution.
- On May 23rd I met with Art Leahy and Caroline Cavecche, Mayor Pro Tem, City of Orange and Chairperson of OCTA regarding inter-county transportation issues in the region, particularly, between Orange County and Los Angeles County, and the Air Quality Crisis Resolution.
- On May 23rd Hasan Ikhata had a meeting with Caltrans District 11 staff regarding support for Imperial Valley Association of Governments' RTIP and RTP issues. Caltrans and SCAG staff will coordinate with IVAG on future RTP RTIP issues.

- On May 24th Hasan Ikhata and I held a special meeting with the CEOs and the Planning Directors of the Commissions to discuss the Air Quality attainment strategy. After the discussion it was decided that we would hold several meetings with the Commission staff and a AB1246 meeting before the July 13th SCAQMD meeting to fulfill the consultation process.
- On May 25th I was a guest speaker for the Leadership Southern California Class of 2007 on Land Use, Housing and Transportation. I spoke on Southern California's future hinges on successful transit-oriented development.

We note the passing of former Pasadena Mayor, and long time Councilman, John Crowley. Mayor Crowley was a long time supporter of SCAG and was involved in many of its activities.

- On Thursday, May 31st, Ma'Ayn Johnson of Community Development, attended the Coachella Valley Workforce Housing Summit in Rancho Mirage. The purpose of the Summit was to outline the state of workforce housing in Coachella Valley and to discuss possible solutions to problems facing the region. Speakers and panelists included economist John Husing, Supervisor Marion Ashley (Riverside County, 5th District), Supervisor Roy Wilson (Riverside County, 4th District), William Pavao (Executive Director, California Tax Credit Allocation Committee), and Tom Davis (Chief Planning and Development Officer, Agua Caliente Band of Cahuilla Indians).
- John Husing delivered a presentation regarding current and forecasted population and housing for the region and issues about providing affordable housing for the workforce. The main issues discussed during panels included creating public/private partnerships to ensure affordable housing, the role of CVAG in coordinating regional efforts, and the implications of the current zoning process on providing workforce housing and how the region can be competitive for the upcoming bond monies for housing.
- Member Relations

The Leadership Academy class held another stimulating session on May 4th at USC. Among the topics addressed was a presentation by Raphael Bostic on Housing which raised many issues of interest and a lively discussion on Civic Engagement led by Carol Baker Tharp. The final session for this inaugural year's program is scheduled for June 15th.

Member Relations staff facilitated presentations on the 2006 State of the Region by Regional Council member Greg Pettis to the cities of Coachella and Rancho Mirage.

On May 14th SCAG had an information booth at the first "Bike to Work Week Rally" arranged by Metro, the Los Angeles Department of Transportation (LADOT) and the Los Angeles County Bike Coalition (LACBC) held in front the LA City Hall. The event featured Ed Begley, Jr., a custom bike show, a health and bike fair, and a free lunch time concert with the famous musical bicyclist group the "Ditty Bops".

On Wednesday, May 30th, an orientation was held at the SCAG offices for new Regional Council & Policy Committee members. An overview of SCAG'S programs and responsibilities was given along with an explanation of our structure, finances, bylaws and administrative issues. The new members met President Ovitt and 2nd Vice President Baldwin, their policy committee staff leads, and their Member Relations Officer. A tour of our facilities was given as well as Compass and MagLev demonstrations showcasing our fly-over and mapping technology. The event ended with an informal lunch.

### III. SCAG Operations

- Personnel. Recruitment is underway for the Director of Government and Public Affairs and the Chief Legal Counsel. The first review of resumes is June 11, 2007 for both positions. Recruitment continues for several staff positions.

Training and Development/Professional Pathways. The SCAG Toastmaster's Club Regional Speakers Forum continues to meet every other Monday. Two new classes started in May and continue in June – One on Customer Service and another on Running Successful Committee Meeting/Meeting Minute Training. The in-house Leadership/Supervisory/Management training series will not have any classes in June, but will resume in July. Agenda process, Speech Communication and SAP Training are on going. The wellness theme for June is Best Back Savers – protecting your back. The SCAG walking club continues at lunchtime on Tuesdays and Thursdays. Work is beginning on planning the next all staff retreat for August.

### IV. Implement Adopted Regional Plans

Maglev Business Case. After meeting with Goldman Sachs in April, SCAG staff and IBI Group representatives have met with other interested investment companies, including Spanish infrastructure firms ACS Dragados and Globalvia, which will review the Business Case and respond back to SCAG in the coming weeks. Also, SCAG staff met with other government agencies to discuss the Business Case, including LAWA, the Port of L.A., the California High-Speed Rail Authority and other agencies. Internally, the Business Case was presented to the Maglev Task Force and the Subregional Coordinators Group in May, and is slated to be presented to the TCC in June.

Meanwhile, SCAG's Government and Public Affairs Department continues to refine a Business Case "rollout" plan detailing target markets, objectives, strategies and future action steps.

- Corridor Mobility Improvement Account (CMIA). SCAG developed RTP and RTIP Amendments to incorporate the CMIA projects and the upcoming State Transportation Improvement Program (STIP) Augmentation. The RTP and RTIP Amendments have been released for public review and comment. The Regional Council will consider adopting the Amendments on June 7, 2007.

### V. Develop Additional Planning Efforts

- Air Quality. Since the Regional Council approval of SCAG's portion of the 2007 South Coast AQMP on May 3, 2007, Regional Council members and SCAG staff have moved forward on a number of action items. We have met with Legislator's regarding the declaration of an air quality crisis, are holding an air quality session on June 8th as part of the Regional Council retreat, and are moving forward on the July 6 Air Quality Summit Chaired by President Ovitt. Regional Council members Loveridge and Sykes and SCAG staff have had follow-up meetings with the ARB and AQMD Governing Board members and staff on the unresolved areas of controversy in developing adequate attainment strategies for PM 2.5 and ozone. We have discussed possible additional or modified control measures to close the gap in emission reductions that are necessary to demonstrate attainment with the federal PM 2.5 standard by 2015. We have also clarified to the ARB and to our transportation partners that ARB must take on the full legal commitment to backstop the reductions of the proposed Goods Movement Control Measures (High Speed Transport System and Truck-Only Lanes) which SCAG has put forth to help close the emission reduction gap (while improving the efficiencies of the freight movement system). Both SCAG and the AQMD have agreed to an annual review meeting to monitor the

implementation of these proposed measures and to explore other controls that may be implemented if necessary. The AQMD Governing Board considered the 2007 AQMP at its June 1, 2007 public hearing. The ARB will consider the locally adopted air plan at its June 22, 2007 public hearing and approved the plan without the goods movement measures (pending further consultation efforts by SCAG) and the final air quality budgets which we use in subsequent conformity analysis. I will continue to apprise the Regional Council of SCAG's air quality related efforts and associated issues.

- RCP. On May 3, 2007, SCAG hosted a Bond Implementation Workshop which drew over 200 participants and identified how municipalities can obtain bond funds for planning work encompassing transportation, housing, water and open space. The workshop featured a SCAG presentation on the Regional Comprehensive Plan and characteristics of projects which would be eligible for funding allocation if proposed legislation became law. In July, staff plans to present the overall visions and guiding principles to SCAG's Policy Committees and will review draft chapters with the appropriate working groups and task forces. The Draft Regional Comprehensive Plan is scheduled for release by fall 2007 with the final version accompanying the Regional Transportation Plan's adoption.
- Regional Housing Needs Assessment. The Regional Housing Needs Assessment (RHNA) Appeals Board concluded its Public Hearings and consideration of revisions and appeals, and finalized its written decisions on May 14, 2007. There were 48 jurisdictions filing a revision request and /or an appeals request. Revisions proposed totaled 17,037 units and Appeals totaled 36,427 units. The RHNA Appeals Board approved 7,851 units in revision requests which adjust the total RHNA to 699,368. This proposed final housing need is within the range approved by the State Department of Housing and Community Development for the region, which were 687,000 units to 733,000 units. The Appeals Board also approved 4,736 successfully appealed units for reallocation proportionately based on future construction need as required by State Law and Regional Council Policy dated 2/1/07.
- The 7th Annual Regional Housing Summit: Beyond Gridlock – A Housing Blueprint for Southern California was the best ever with over 260 people attending. The opening welcome was presented by SCAG President Hon. Gary Ovitt, Supervisor, San Bernardino County. The Summit was held at the Wilshire Grande Hotel in downtown Los Angeles on May 24, 2007. Several elected officials and our program partners at both CAR and the BIA made it a point to note that the program was "excellent", the "dialogue was positive and meaningful" and that they enjoyed being part of it! The guest Speaker at lunch was Mr. Homer Williams, a Staples Center and Portland Waterfront Developer. The Summit Moderator was CEHD Committee Policy Chair Hon. Jon Edney, City of El Centro. Several elected officials presented their views on housing issues during an Elected Officials Dialogue at the Summit, and included:
  - Hon. Gil Coerper, City of Huntington Beach
  - Hon. Carl Morehouse, City of Ventura
  - Hon. Ed Reyes, City of Los Angeles

As part of the Housing Summit, SCAG hosted the first Compass Blueprint Awards luncheon. Cities, developers and non-profits from all over the region applied to the awards program and were selected by a panel of judges in a variety of categories, including the President's Awards for overall excellence and four categories related to Compass principles, with awards for excellence and achievement in Visionary Planning for Prosperity, Livability, Sustainability and Mobility. President Ovitt presented awards to 16 plans and projects that were recognized for their innovative and visionary planning efforts. Top awards went to the cities of Glendale, Ontario, Fullerton, Anaheim, Long Beach, San Gabriel and San Dimas, as well as a Distinguished Leadership Award to the Western Riverside Council of Governments (WRCOG).

There was extensive media coverage of the Summit including LA Times, La Opinion and China Press, and the Summit was audio and video taped. Major sponsors included: California Association of Realtors, Building Industry of Southern California, and Bank of America Community Development Bank. Exhibitors providing funding support included: LINC Housing, John Cotton Architects, Washington Mutual Bank and CDFI Clearinghouse. Program partners providing marketing support included: Reconnecting America – National Center for Transit Oriented Development, Los Angeles County Board of Realtors, Southern California Association of Non-profit Developers and the Local Government Commission.

In coordinating and collaborating with Transportation Analysis, Modeling, and Compass Blueprint staff/consultant teams, the forecasting staff developed socioeconomic data sets as required for completion of the 2007 RTP/EIR and RCP planning efforts. A special economic report was also prepared for the City of Lancaster.

## **VI. Data and Planning Methods**

- Land Use Model Alternatives Evaluation Completed. In order to further enhance the analytical capability to support policy decisions, SCAG has initiated the effort to develop an Integrated Land Use/Transportation Model. The first phase of the effort is to evaluate alternative land use models and identify implementation strategies. The consultant has completed a final draft report on land use model evaluations based on SCAG needs and Expert Panel Review results. Major findings were presented to the stakeholders (including County Transportation Commission and Subregional representatives) and SCAG staff at a project briefing meeting on May 16, 2007. The meeting also represented the first step to form a Technical Advisory Committee (TAC) to guide the multi-year effort of developing an Integrated Land Use/Transportation Model for the SCAG region.
- GIS Demo at SCAG's General Assembly Meeting. SCAG's General Assembly meeting took place at the Biltmore Hotel, downtown Los Angeles, during the first week of May. The Data and Monitoring Division staff provided on-site demonstration of the following three new and/or enhanced projects: the RTIP Application, the truck only lanes 3D simulation project, and the enhanced flyover of the proposed Maglev lines. The demonstration also helped to receive input with respect to future needs and improvements.
- GIS Training to SCAG Staff. The Data and Monitoring Division staff provided a two-day GIS training seminar to internal staff in order to facilitate the transition to the latest GIS software that will be used agency-wide. This effort ensures cohesiveness and continuity of the high quality work that is produced by SCAG staff. Moreover, it facilitates data and application sharing within the agency.

## **VII. Legislative and Communication Programs**

SCAG Sacramento Legislative Day. I am pleased to report on another successful SCAG Sacramento Legislative Day trip to deliver our message on the air quality crisis facing the South Coast Air Basin. We had productive meetings with several key members of the legislature, including: Senate Minority Leader Dick Ackerman (R - Tustin); Assembly Assistant Majority Leader Kevin de Leon (D - Los Angeles); Senate Transportation and Housing Committee Chair Alan Lowenthal (D - Long Beach); Senate Appropriations Committee Chair Tom Torlakson (D - Antioch); Senate Environmental Quality Committee Vice Chair George Runner (R - Antelope Valley); and Assembly Transportation Committee Vice Chair Michael Duvall (R - Yorba Linda). We also met with Senate President pro Tem Don Perata's Consultant, Kip Lipper; Department of Housing and Community Development Director Lynn Jacobs; Director, Planning



and Modal Programs California Department of Transportation, Joan Sollenberger; and Chief, Air Quality and Transportation Planning, Air Resources Board, Kurt Karperos.

Our staff also visited the offices of the Southern California delegation and Speaker Nuñez's office, as well as Governor Schwarzenegger's Chief of Staff, Susan Kennedy, to distribute our air quality crisis printed materials and SCAG's Resolution calling on the Governor and President to declare a state of emergency.

SCAG President Gary Ovitt led this year's delegation of elected officials, which included Regional Council Members: Harry Baldwin; Ron Loveridge; Tonia Reyes Uranga; and Dennis Washburn. Regional Council Member Gary Ovitt, Ron Loveridge and Tonia Reyes Uranga serve on the board of the South Coast AQMD, which was also represented by Deputy Executive Director Oscar Abarca, Assistant Deputy Executive Director Anupom Ganguli and Senior Public Affairs Manager William Sanchez. SCAG Government Affairs staff and I accompanied the delegation.

- State Legislation. AB 169, SCAG's Tribal Governments bill, was unanimously supported by the Assembly Local Government Committee on Mar 2nd and passed the Assembly on May 14th with a 63-5 vote. AB 169 is scheduled to be heard in the Senate Local Government Committee on June 20th. The bill is substantially the same as SCAG's tribal government bill that passed the Legislature last year, but was vetoed by the Governor. SCAG has initiated meetings with the Governor's Office of Planning and Research to address the Governor's concerns and arrive at mutually acceptable language for AB 169.

SCAG has taken positions on the following legislative bills during this legislative session consistent with SCAG's 2007 Legislative Program and Protocol:

**AB 630 (Price): SUPPORT** – Requires the Air Resources Board (ARB) to expeditiously adopt an emissions standard or requirement proposed by SCAQMD that requires a waiver or authorization under the federal Clean Air Act.

**AB 1240 (Benoit): SUPPORT** – Authorizes RCTC to enter into design-build contracts to construct the initial phase of the Perris Valley Commuter Rail Line.

**AB 1457 (Huffman): OPPOSE** – AB 1457 would prevent the construction of the SR-241 Foothill Transportation Corridor South, a project contained in SCAG's Regional Transportation Plan.

**SB 61 (Runner): SUPPORT** – Enhances prior public private partnership (PPP) legislation giving the California Department of Transportation broader authority to enter into PPPs for projects on high priority transportation corridors.

**SB 375 (Steinberg): SUPPORT** – Provides for the integration of transportation and land-use planning and provides for streamlined CEQA requirements for local governments that conform their land use plans to a preferred growth scenario.

**SB 442 (Ackerman): SUPPORT** – Enables the use of design build contracting for the construction of high-occupancy vehicles lanes connecting State Route 22 (SR-22) to Interstate 405 (I-405) and Interstate 605 (I-605) in south west Orange County.

**SB 1028 (Padilla): SUPPORT** – Requires the Air Resources Board (ARB) to be held to the same statutory standard of conduct for mobile source emissions as local air districts are held under existing law for stationary source emissions.

Air Quality Summit. A location has been secured for the Air Quality Crisis Summit on Friday, July 6, 2007. It will be held at the City of Long Beach Council Chambers from 10:00 a.m. to 12:30 p.m. The Summit will include experts on the health crisis facing our region and action steps that should be taken to mitigate the challenge.

Joined by members of the Regional Council who are also board members of the AQMD, I will be visiting Washington, D.C. on Wednesday, June 13, 2007 to give briefings on the air quality crisis issue related to small particle matter, PM 2.5, in the South Coast Basin. Part of our overall strategy is to bring attention to the issue and to seek legislative solutions and funding. With reauthorization of the transportation measure on the horizon, it is a good time to lay the groundwork for changes to the law. In addition to a meeting with Mary Peters, Secretary of USDOT, , meetings are being scheduled with the Chair and key staff of the House Transportation and Infrastructure Committee and other relevant committees of jurisdictions in the Senate and House. Meetings are also being arranged with US Senators Feinstein and Boxer and/or their key staff.

- California Regional Progress Report Near Completion. The California Regional Progress Report is a project jointly sponsored by Caltrans and CalCOG (including SCAG and the other MPOs in the state). Since August 2006, staff has participated in a statewide Technical Advisory Committee for this project performed by the California Center for Regional Leadership (CCRL), the project consultant retained by Caltrans. The purpose of the report is to develop a common framework and set on indicators to measure regional progress statewide with respect to, for example, the economy, environment, housing, transportation and education. It could serve as a resource for decisions about the policies and investment that shape the economic, social and environmental well-being of California's regions. The report is also intended to be a specific resource for MPOs that are involved in Blueprint planning.

At the CALCOG Directors meeting on May 14, 2007, the MPO Executive Directors discussed the draft report and its release. The final report is scheduled to be presented at the Blueprint Learning Network meeting in San Diego on June 20, 2007. A formal press release is also being planned to include key state and regional representatives. A final report will be provided to all Regional Council and Policy Committee members.